



TFI advocate

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TFI, Foundation Lead Sponsors of Smithsonian Soils Exhibit

The Fertilizer Institute (TFI) and the Nutrients for Life Foundation will be the lead sponsors for a soils exhibit at the Smithsonian's National Museum of Natural History scheduled to open in July 2008. The 5,000 square foot soils exhibit is being developed by the Smithsonian in partnership with the Soil Science Society of America (SSSA) and is designed to increase the level of public awareness about the important role of soils in our world by educating visitors about the many ways soil is essential to human life.

"Fertilizer is an integral component in aiding soils' role in environmental health and food security," said TFI and Foundation President Ford B. West. "Through our sponsorship of the exhibit, we hope the museum's more than 6 million visitors annually will gain a greater appreciation of the role modern agriculture plays in sustaining healthy

soils."

The Smithsonian has established an extended advisory team comprised of museum staff and scientific experts to review the exhibition's content. As a result of the TFI-Foundation sponsorship, the Smithsonian has invited one representative from TFI and one representative from the International Plant Nutrition Institute (IPNI) to join the extended advisory team.

The soils exhibit, which will occupy one hall of the museum, will be on display in Washington, D.C., until January 2010 after which it may go on a three to four year national tour through the Smithsonian Institution Traveling Exhibition Service (SITES).

Other exhibit partners include SSSA, the U.S. Department of Interior's Bureau of Land Management and several U.S. Department of Agriculture agencies including the Natural Resources Conservation Service.

"Given our Foundation's work to better educate the public and policymakers about the tremendous role fertilizers play in improving peoples' lives, the Smithsonian exhibit provides an ideal opportunity to promote science-based messages about agriculture to millions of museum visitors each year," said West.

The Smithsonian Board of Regent's May 8 endorsed the TFI-Foundation sponsorship contract. A \$1 million commitment in the name of the Foundation was approved in September by TFI's Board of Directors.



At a recent soils exhibit planning meeting, (left to right) the Smithsonian's Carolyn Margolis, IPNI's Tom Bruulsema, the Smithsonian's Pat Megonigal and TFI's Bill Herz review preliminary posters for the Smithsonian's soils exhibit, which is scheduled to open in July 2008. TFI and the Nutrients for Life Foundation are the lead sponsors of the soils exhibit.

Government Plan Aims to Increase Domestic Energy Supplies

The Department of Interior's Minerals Management Service (MMS) April 30 released its plan to increase oil and natural gas drilling in federal waters through 2012. The MMS plan, which was announced by Interior Secretary Dirk Kempthorne, includes extending oil and gas leasing in the Gulf of Mexico south of an area known as Lease Sale 181. The plan also includes expanding oil and natural gas drilling near Bristol Bay in Alaska's North Aleutian Basin and in federal waters off the coast of Virginia.

"TFI and its members have been actively seeking to expand oil and natural gas drilling areas," said TFI President Ford B. West. "We have met with Secretary Kempthorne, submitted several sets of comments and worked with our members to send more than 800 letters in support of increasing domestic energy supplies to MMS. This action is a critical first step in providing relief to our nation's fertilizer industry."

The fertilizer industry relies upon natural gas as the fundamental feedstock for the production of nitrogen fertilizer. Natural gas represents 70 to 90 percent of the cost of one ton of anhydrous ammonia - the building block for most other forms of commercial nitrogen plant nutrients, as well as some finished phosphate fertilizers. The ongoing natural gas crisis in the United States has crippled the domestic nitrogen fertilizer manufacturing industry, which has permanently closed 25 manufacturing facilities in the United States in the last six years or approximately 42 percent of its nitrogen manufacturing capacity.

TFI worked with agriculture, manufacturing and consumer groups last year to pass legislation to rescind a 25-year ban on drilling off the coast of Florida. The legislation, which became law, is expected to redistribute \$170 billion in federal royalties to states from the federal treasury.

"TFI will continue to urge the agency to make more acreage in the Outer Continental Shelf (OCS) available for development," said West. "However, that power ultimately lies with Congress, and Congress continues to keep more than 80 percent of the OCS off limits to drilling."

MMS oversees offshore federal land and is required by law to issue a plan every five years that outlines where it expects drilling in the OCS. The five-year plan is the government's official blueprint for how it will open areas of the OCS to oil and gas development from 2007-2012.

For more information about TFI's energy-related activities, please contact TFI Director of Government Relations Everett Zillinger by telephone at (202) 515-2705 or via e-mail at ezillinger@tfi.org.

TFI SPEAKS WITH NATIONAL FARM BROADCASTERS

TFI met with members of the National Association of Farm Broadcasting (NAFB) who were in Washington, D.C., for the association's annual Washington Watch gathering. During the event, TFI gave more than 10 interviews on challenges faced by the fertilizer industry this spring planting season, energy and transportation.



TFI President Ford B. West is interviewed by Pam Fretwell with WTAD and WKAN radio in Quincy, Ill., at NAFB's Washington Watch.

Why Soil is More Precious than the Hope Diamond

The Hope Diamond – the world's largest deep blue diamond – is more than a billion years old. The diamond, found in India in the 1600s, is a wonder and has rightfully found a home at the Smithsonian Institution's Museum of Natural History. Next year, the museum's 6 million annual visitors can walk down the hall from the Hope Diamond, go "underground" and be immersed in a new exhibit dedicated to soils! Although many people take our bountiful soils for granted, they are just as complex and awe-inspiring as the Hope Diamond.

TFI proudly committed \$1 million on behalf of the Nutrients for Life Foundation to bring the importance and role of soil to life. With the exhibit scheduled to open in July 2008, TFI through its sponsorship, will be working as a member of the extended advisory team to review the soils exhibition's content. Joining TFI on the advisory team are the International Plant Nutrition Institute (IPNI), museum staff and other scientific experts.

TFI's sponsorship of the soils exhibit is a non-traditional role for us. As an industry, it is time we celebrate the value that we, the fertilizer industry – contribute to society. We sometimes focus on supply, distribution and environmental issues, but this exhibit gives us the chance to focus on the contribution made to humanity. Remember, without fertilizer 2 billion people would not be here because there wouldn't be enough food.

A core of the exhibit will be a long term display of soil monoliths from 50

"What soil does do is create a place where we live and where we grow food to feed the world... although soil doesn't have the allure of the Hope Diamond, it is far more precious for humanity and thus, very deserving of its home in the Smithsonian's Museum of Natural History."

states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands. Features of the exhibit will include interactive games, videos and other activities to demonstrate to visitors the vital link between soil and health of mankind, the environment and our planet.

On the outside, soil is not as flashy as the Hope Diamond. It doesn't sparkle, command thousands of on-lookers or leave people breathless. What soil does do is create a place where we live and where we grow food to feed the world. Without soil and fertilizer's contribution, we would not exist. So, although soil doesn't have the allure of the Hope Diamond, it is far more precious for humanity and thus, very deserving of its home in the Smithsonian's Museum of Natural History.

TFI and the Nutrients for Life Foundation are working with the Soil Science Society of America, the U.S. Department of Interior's Bureau of Land Management and several U.S.

Department of Agriculture agencies to bring this exhibit to fruition.

I hope you make plans now to visit the soils exhibit between July 2008 and the exhibit's scheduled closing in January 2010. If you do, you can walk proudly through the hall, knowing that you, as a member of the fertilizer industry, play a critical role in nutritious soil and nutritious food.



TFI President Ford B. West

Ammonium Nitrate Legislation Approved by House Homeland Security Committee

The House Homeland Security Committee unanimously approved the “Secure Handling of Ammonium Nitrate Act of 2007” (H.R. 1680), which creates an uniform, national regulatory system for securing ammonium nitrate by tracking its sales. The Fertilizer Institute (TFI) strongly supports this legislation and has worked closely with Rep. Bennie Thompson (D-Miss.) to secure approval of the bill.

“We are grateful to Rep. Thompson for his diligent leadership in guiding this legislation through the homeland security committee,” said TFI President Ford West. “The committee is helping ensure that this valuable fertilizer remains available for its intended purpose.”

The bill would require all producers, sellers, applicators and purchasers who take custody of ammonium nitrate to register with the Department of Homeland Security (DHS). All registrations are to be checked against the terrorist watch list and in this regard, the bill also includes provisions for expedited reviews of registration applications, notification of application status and appeals process. In addition, the bill would require producers and sellers to maintain records of all sales for two years, including name, address, phone number and registration number, and the date and quantity of ammonium nitrate sold. The bill, which does not preempt state law, requires all thefts or unexplained losses be reported to federal law enforcement within 24 hours.

“TFI has a long history of initiating efforts to secure our industry’s products for their intended use,” said TFI’s West. “Through our industry wide “America’s Security Begins with You” campaign and a decision by TFI’s Board of Directors in September 2004 to seek the introduction in Congress of a set of rules and regulations for the sale of ammonium nitrate, we have been working to develop agreeable legislation and protect our entire industry.”

Rep. Bennie Thompson (D-Miss.), chairman of the House Homeland Security Committee, has indicated he will now seek approval of the bill by the full House. For more information, please contact TFI Vice President of Member Services Pam Guffain by telephone at (202) 515-2704 or via e-mail at pguffain@tfi.org.

FERT PAC HOSTS REP. BOB ETHERIDGE

The Fertilizer Institute's (TFI's) political action committee, FERT PAC, held an issues briefing with Rep. Bob Etheridge (D-N.C.) May 8. Rep. Etheridge is chairman of the House Agriculture Subcommittee on General Farm Commodities and Risk Management; and a member of the House Budget Committee and Homeland Security Committee.

Pictured at right: TFI President Ford West (right) explains fertilizer's critical role in producing food, feed, fuel and fiber to Rep. Etheridge (center), while TFI Director of Government Relations Everett Zillinger listens. Zillinger works closely with Chairman Etheridge and his staff on federal farm legislation.



National, State and Local Nutrient Use Issues Discussed at TFI-IPNI Meeting

Nutrient use issues continue to expand on the national, state and local levels. To address these issues, The Fertilizer Institute (TFI)-International Plant Nutrition Institute (IPNI) Nutrient Use Task Force met May 9 in Chicago, Ill., to discuss scientific issues and policy programs related to the use of fertilizer products.

"Task force members received reports on TFI's new state grant program and on IPNI's new charter and global activities to provide a unified, scientific voice for the world's fertilizer industry," said TFI Vice President of Scientific Programs Bill Herz. "Our task force consists of an engaging and

knowledgeable group of individuals that are making a difference."

Karen Scanlon, executive director of the Conservation Technology Information Center, presented a proposal to conduct a survey of farmers on best management practice utilization and representatives of the Iowa Soybean Association presented an overview of the association's On Farm Network, an ongoing survey of crop production practices including nutrient use.

Fertilizer consumption data is increasingly utilized in public policy discussions regarding water and other environmental quality issues, and at

times, discussions regarding proposals for limiting fertilizer use. As such, the need for quality consumption data has never been greater. Task force members engaged in significant discussion on how best to address these data quality issues and the task force agreed to establish a workgroup to explore options for encouraging U.S. Department of Agriculture engagement on this critical issue.

For further information on the activities of the TFI-IPNI Nutrient Use Task Force, please contact TFI Vice President of Scientific Programs Bill Herz via telephone at (202) 515-2706 or via e-mail at wcherz@tfi.org.

TFI HOSTS SECURITY TASK FORCE MEETING

The Fertilizer Institute's (TFI) Security Task Force met recently at TFI's offices in Washington, D.C. The meeting provided a forum for TFI members to hear from representatives of federal agencies and congressional offices on issues ranging from the Transportation Worker Identification Credential program to chemical facility anti-terrorism standards and pandemic planning.

Task force members also held a policy discussion focusing on TFI's comments regarding the chemicals contained in Appendix A of the Department of Homeland Security's "Chemical Facility Anti-Terrorism Standards Act of 2007." Appendix A contains several fertilizer products including: anhydrous ammonia, aqua ammonia, ammonium nitrate, potassium nitrate, sodium nitrate and urea. In addition, the appendix lists chemicals which are utilized in the production of fertilizers or are created as an intermediate in a closed-loop process in the production of fertilizers, such as

nitric oxide, sulfur dioxide, and sulfur trioxide. TFI filed the comments with DHS May 8.

"We were pleased to see that DHS adopts a risk-based approach to homeland security through its regulation of chemical facilities," said TFI Director of Government Relations Kris Ballweg.

"However, we are concerned that the regulation of many of the chemicals in Appendix A at the corresponding screening threshold quantities (STQs) would potentially result in the inclusion of hundreds of thousands of facilities required to complete the Top-Screen."

In its comments, TFI specifically requests that DHS raise the STQ for anhydrous ammonia and aqua ammonia to the U.S. Environmental Protection Agency's (EPA) Risk Management Plan (RMP) level and remove potassium nitrate, sodium nitrate,



TFI's Security Task Force met in TFI's office May 2-3. Representatives from many of TFI's member companies discussed several hot-button issues including pandemic planning and chemical facility anti-terrorism standards.

and urea from the final Appendix A. TFI also commented that intermediate chemicals in a closed-loop process be exempted, as well as combustion by-products.

For more information, please contact TFI's Ballweg by telephone at (202) 515-2701 or via e-mail at kballweg@tfi.org.

TFI Economics Council Meets

Members of The Fertilizer Institute's (TFI) Economics Council met in Ann Arbor, Mich., April 30-May 2 to review TFI's statistical programs, including the *Commercial Fertilizers 2006* report, and to discuss the quality of U.S. fertilizer trade statistics. TFI's statistical programs are at the heart of numerous legislative and regulatory efforts, as well as communications initiatives. TFI's economic services department publishes four monthly reports and three annual reports.

TFI's Outlook Task Force also met while in Ann Arbor to begin preparations for the 2008 Fertilizer Outlook and Technology Conference, which will be held this year in Tampa, Fla., Nov. 6-8 in

conjunction with The Fertilizer Industry Round Table's (FIRT) annual meeting.

In conjunction with the meetings, task force members also had the opportunity to tour TFI member The Andersons' ethanol plant.

For more information on the council meeting or on TFI economic services, please contact TFI Vice President of Economic Services Harry Vroomen by telephone at (202) 515-2702 or via e-mail at hvroomen@tfi.org.



TFI Economics Council members talk with The Andersons' Albion Ethanol LLC Production Manager Gabe Corey during a tour of the facility in Albion, Mich. The tour was held in conjunction with TFI's Economics Council meeting.

TFI RELEASES ANNUAL STATISTICAL REPORTS

The Fertilizer Institute (TFI) released the *Commercial Fertilizers 2006* report, a cooperative project of the Association of American Plant Food Control Officials (AAPFCO) and TFI.

The report details U.S. fertilizer sales by nutrient since fiscal year (July-June) 1960 and includes a breakdown of fertilizer material use by state for the last two fiscal years. The report found a 4.1 percent decline



in U.S. fertilizer nutrient consumption for the fertilizer year ending June 30, 2006. *Commercial Fertilizers* is frequently referenced in TFI's policy work on nutrient issues.

TFI also released the *2005 Fertilizer Financial Facts* report, a cooperative project of the International Fertilizer Development Center (IFDC) and TFI. The report contains aggregated financial data of fertilizer companies including income and expenses, assets and environmental control



expenditures.

The order form for TFI publications is available on our Web site at www.tfi.org.

For more information on our statistical programs, please contact TFI Vice President of Economic Services Harry Vroomen by telephone at (202) 515-2702 or via e-mail at hvroomen@tfi.org.

TFI Welcomes New Members

The Fertilizer Institute (TFI) welcomed three new members to the TFI family: ABG Inc., Evans Enterprises LLC and Kinder Morgan Inc. As members, these three companies join a powerful group of companies – producers, retailers, wholesalers, importers and others – in promoting and protecting the interests of the fertilizer industry.

ABG Inc., is a consulting firm that provides actions and answers through learning, strategy, research and technology services to clients worldwide, specializing in the food and agriculture sector. Growing since 1979, the ABG team numbers more than 100, operating from multiple domestic and international locations, including its Indianapolis headquarters. ABG is an Adayana company.



Evans Enterprises LLC is based in Olathe,

Kan., with primary production and terminal operations out of Hesston, Kan. Evans Enterprises is involved in the production and marketing of AmChlor Basic, an ammonium chloride based product. Evans Enterprises services customers in the Great Plains region and extends to the Pacific Northwest. AmChlor Basic is used primarily on grass crops such as wheat, corn, grain sorghum and rice, with new research showing excellent results on sunflowers as well.



Kinder Morgan Energy Partners L.P. (KMP) is one of the largest publicly traded pipeline limited partnerships in America. KMP owns an interest in or operates approximately 26,000 miles of pipelines and more than 150 terminals. Its pipelines transport more than two million barrels per day of

gasoline and other petroleum products and up to seven billion cubic feet per day of natural gas. Its terminals handle over 90 million tons of coal and other dry-bulk materials annually and have a liquids storage capacity of about 70 million barrels for petroleum products and chemicals. KMP is also the leading provider of CO2 for enhanced oil recovery projects in North America. The general partner of KMP is owned by Kinder Morgan, Inc., one of the largest energy transportation, storage and distribution companies in North America. Combined, the two companies have an enterprise value of more than \$35 billion.



Membership inquiries should be directed to TFI Vice President of Member Services Pam Guffain by telephone at (202) 515-2704 or via e-mail at pguffain@tfi.org.

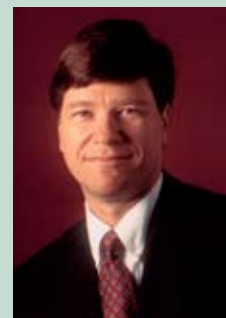
RENOWNED ECONOMIC ADVISOR JEFFREY SACHS TO KEYNOTE WORLD CONFERENCE

The Fertilizer Institute (TFI) is pleased to announce that Dr. Jeffrey Sachs, one of the most influential economic advisors of his generation and director of The Earth Institute, will provide the keynote address at the Tuesday morning breakfast session during the 2007 World Fertilizer Conference. Sachs is an expert on global development with a special focus on global health issues. His remarks at TFI's conference, "The End to Poverty: Economic Possibilities for Our Time," will focus on the role the industry plays in growing world economies.

"Professor Jeffrey Sachs is known throughout the world as an expert in his

field," said TFI President Ford B. West. "As the focus of the fertilizer industry shifts to a more global view, Sachs lends a unique perspective on corporate responsibility."

The breakfast sessions will commence at 7:30 a.m. on Tuesday and Wednesday mornings, and conclude at 8:45 a.m. As such, TFI asks delegates to refrain from scheduling private business meetings prior to 9:00 a.m. on either Tuesday or Wednesday. TFI's World Fertilizer Conference will be held Sept. 17-19 at the Westin Boston Waterfront in Boston, Mass. Registration information and programs for the conference will be



available on TFI's Web site, www.tfi.org, in late May.

If you have registration questions regarding TFI's 2007 World Fertilizer Conference, please contact

TFI's Manager of Member Services by telephone at (202) 515-2709 or via e-mail at vbrown@tfi.org.

Maria Samot, South Carolina Ag in the Classroom, is TFI's Person of the Month



MARIA SAMOT,
Director,
South Carolina Ag in the
Classroom

YEAR HIRED: 1999

JOB DESCRIPTION

As director of South Carolina Farm Bureau's non-profit Ag in the Classroom program, my overall mission is to provide tools to help teachers increase student appreciation for food, fiber and forestry products. My main responsibilities include: developing, writing, and conducting professional development workshops for teachers; writing ag-integrated lesson plans aligned to South Carolina's curriculum standards; cultivating relationships with agricultural and educational contacts; securing adequate program resources; and coordinating agricultural literacy projects.

JOB PHILOSOPHY

I come from an ag background - my grandparents had a dairy and row crop farm, and my father was an ag engineer for Duke Power Company. My heart also belongs to education - after graduating from college, I taught first grade for two years. I can think of no better way to fulfill two of my personal missions than by serving farmers and teachers, and helping children understand the abundant resources of agriculture!

PLEASE DESCRIBE THE IMPORTANCE OF THE NUTRIENTS FOR LIFE FOUNDATION AND ITS CONTRIBUTIONS TO AG IN THE CLASSROOM ACTIVITIES.

The Nutrients for Life Foundation provides a wealth of fact-based ag literacy materials in a variety of formats. From online games for students to the new lesson plans correlated to National Science Standards, the Foundation's offerings are the perfect complement to state Ag in the Classroom (AITC) curricula. Although AITC covers a broad range of topics related to production agriculture, the lessons and activities from Nutrients for Life allow teachers to delve deeply into the topic of plant nutrients - their sources, their functions, and the way farmers use them to provide our efficient, environmentally friendly, plentiful and healthy food supply. The partnership between Ag in the Classroom and Nutrients for Life is a natural fit!

PLEASE DISCUSS YOUR EFFORTS TO BRING AWARENESS TO THE NUTRIENTS FOR LIFE FOUNDATION.

As a team member of South Carolina's Farm Bureau's Promotion and Education Division, I am informed of feature topics for our award-winning *S.C. Farmer* magazine, a quarterly publication which reaches more than 120,000 South Carolina families. When I learned that fertilizer was an upcoming topic, I forwarded information about the Nutrients for Life Foundation to our editor and suggested the Foundation as a source of some of the best and most current data about fertilizer. Nutrients for Life was mentioned in the piece. Response to the article has been very positive.

WHAT DOES FERTILIZER MEAN TO YOU?

Fertilizer is a key component of our nation's largest (and South Carolina's second largest) industry, agriculture. Thanks to fertilizer, we are able to grow crops more efficiently, with higher yields, than ever before. The discovery of fertilizer and its benefits allowed American farmers to end the practice of farming "till the soil gave out," then moving to another plot of land. Fertilizer is arguably the most important tool our farmers have to help them grow the food to feed our planet's population now and in the future.

TFI CALENDAR

TFI Board of Directors Meeting

July 16-17, 2007
Washington, D.C.

North American Fertilizer Transportation Forum

Aug. 12-13, 2007
Banff, Alberta, Canada

TFI World Fertilizer Conference

Sept. 17-19, 2007
Boston, Mass.

TFI Fertilizer Marketing Business Meeting

Feb. 4-7, 2008
Orlando, Fla.

TFI advocate

TFI Advocate is published monthly for members of The Fertilizer Institute. For more information about the items appearing in the newsletter, please contact: TFI President Ford B. West or Vice President for Public Affairs Kathy Mathers.

Harriet Wegmeyer, Editor

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